



STATE BOARD OF LAND COMMISSIONERS

Dirk Kempthorne, Governor and President of the Board

Ben Yursa, Secretary of State

Lawrence G. Wasden, Attorney General

Keith L. Johnson, State Controller

Marilyn Howard, Superintendent of Public Instruction

Winston A Wiggins, Secretary to the Board

Final Minutes Regular Land Board Meeting March 11, 2003

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, March 11, 2003 in Boise, Idaho. The meeting began at 9:14 a.m. The Honorable Dirk Kempthorne presided. The following members were present:

Honorable Secretary of State Ben Yursa
Honorable Attorney General Lawrence G. Wasden
Honorable State Controller Keith L. Johnson
Honorable Superintendent of Public Instruction Marilyn Howard

Secretary to the Board Winston A Wiggins

• CONSENT AGENDA

Director Wiggins provided background information on the Consent Agenda items.

A motion was made by Secretary of State Yursa to approve the Consent Agenda in its entirety. Attorney General Wasden seconded the motion. The motion carried on a vote of 5-0.

1. Director's Report – approved

- A. Interest Rate on Department Transactions – February 2003
- B. Timber Sale Official Transactions – January 30, 2003 through February 21, 2003
- C. Timber Sale Activity Report

2. Endowment Fund Update – Staffed by Matthew Haertzen, CFA, Manger of Investments, EFIB – approved

DISCUSSION: Ms. Jenny Outram-Dobler, representing the Endowment Fund Investment Board, stated the fund continues to perform in line with the market. In addition, as previously discussed with the Land Board, the cash flow situation is still a matter requiring resolution.

Governor Kempthorne asked Controller Johnson for comments on the EFIB update. Controller Johnson stated he did review the report, and there were no surprises. Secretary of State Yursa asked if the joint EFIB-Land Board meeting was still scheduled. Ms. Outram-Dobler confirmed the joint meeting would take place during the next regularly scheduled Land Board meeting.

Governor Kempthorne asked at what point the Land Board would meet with the auditor. Ms. Outram-Dobler stated the meeting would take place in the fall. Director Wiggins commented it would probably take place in September.

Attorney General Wasden stated he appreciated the manager insight prepared for the State of Idaho Public Endowment Fund. He found the information helpful. Dr. Howard also expressed appreciation for being invited to the Endowment Board meeting. She feels attendance at the Endowment Board meetings has been helpful.

3. Timber Sales – Staffed by Bob Helmer, Chief, Bureau of Forest Management – approved

A. North Lindstrom	CR-3-0455	2,570 MBF	
B. Greased Pole	CR-3-0476	2,750 MBF	204,900 LF
C. North Fork Pole	CR-4-0741	500 MBF	89,800 LF

4. Application for Qualified Bidders List, Timber Sales – Staffed by Bob Helmer, Chief, Bureau of Forest Management – approved

A. Excell Logging and Forestry, Inc., 2967 Rudo Road, Orofino, Idaho 83544

5. Request for Approval for Disclaimer of Interest to River of No Return Ranch, Inc., on 10.31 Acres of Accretion Land Adjacent to the Salmon River in Lemhi County – Staffed by Perry Whittaker, Chief, Bureau of Real Estate – approved

DEPARTMENT RECOMMENDATION: It is recommended that a disclaimer of interest be issued for this parcel of accretion land totaling 10.31 acres of the former bed of the Salmon River. The applicant will grant a 25.00 foot-wide unimproved pedestrian easement for approximately one-half (1/2) mile (2,850 feet) along the ordinary high water mark of the north bank of the Salmon River. The recommended fee is \$600.00.

BOARD ACTION: Approved.

6. Request for Approval for Disclaimer of Interest to Wayne T. Palmer on 9.79 Acres of Accretion Land Adjacent to the Boise River in Canyon County – Staffed by Perry Whittaker, Chief, Bureau of Real Estate – approved

DEPARTMENT RECOMMENDATION: It is recommended that a disclaimer of interest be issued for this parcel of accretion land totaling 9.79 acres of the former bed of the Boise River. The applicant will grant a 25.00 foot-wide unimproved pedestrian easement for approximately 1,140 feet along the ordinary high water mark of the west bank of the Boise River. The recommended fee is \$600.00.

BOARD ACTION: Approved.

7. Temporary Rules for Reclamation Bond Fund – Staffed by Jay Biladeau, Assistant Director, Lands, Minerals, Range – approved

DEPARTMENT RECOMMENDATION: That the Board direct the Department to enter the rulemaking process to implement temporary rules effective April 1, 2003 or as soon as possible thereafter, and enter the final rulemaking process immediately upon adjournment of the 2003 legislative session.

BOARD ACTION: Approved.

8. Minutes – approved

A. Regular Land Board Meeting – February 11, 2003

- **REGULAR AGENDA**

9. Award of Grazing Lease G-4597 to Western Watersheds Project – Presented by Jay Biladeau, Assistant Director, Lands, Minerals, Range – refer to Board Action

DEPARTMENT RECOMMENDATION: That the Board accept the high bid of \$8,000 submitted by WWP for grazing lease G-4597 at the August 22, 2000 grazing lease auction and issue WWP a ten-year grazing lease for 988 AUMs based on the following provisions:

1. WWP be required to pay LMGA the appraised value of IDL authorized improvements.
2. WWP be required to submit an acceptable management plan that addresses maintenance of all existing improvements, that limits incursion of livestock from adjacent land ownership, that identifies an integrated long-term weed management strategy, and that establishes an acceptable vegetation and riparian area monitoring program.

Additionally, the Department recommends a refund to LMGA for their high bid of \$7,500 that was accepted by the Department prior to issuance of the lease in February 2001.

DISCUSSION: A transcript of this agenda item is available upon written request to Susan Terry, Idaho Department of Lands, Post Office Box 83720, Boise, Idaho 83720-0050.

BOARD ACTION: A motion was made by Attorney General Wasden to direct the Department to set this matter for a contested hearing between the Lacey Meadows Grazing Association and the Western Watersheds Project. Further, that the Department consider the issue of temporary licensure and return to the Board with a recommendation at the April Board meeting, if that issue has not been resolved. Secretary of State Ysursa seconded the motion. The motion carried on a vote of 5-0.

- **INFORMATION AGENDA**

Director Wiggins briefed the Board on the Information Agenda item. No Land Board action is required on the Information Agenda.

10. Grazing Fee for Calendar Year 2004 – Based on a calculation previously approved by the Land Board, the Calendar Year 2004 Grazing Fee will drop from \$5.33 to \$5.15 per AUM.

ITEM NOT ON THE AGENDA

Director Wiggins provided a handout showing the status of bills monitored by the Department of Lands.

- A motion was made by Attorney General Wasden to resolve into Executive Session at 10:10 a.m. Superintendent Howard seconded the motion. The motion carried on a vote of 5-0.

- **EXECUTIVE SESSION**

A. To Consider and Advise Its Legal Representatives in Pending Litigation or Where There is a General Public Awareness of Probable Litigation [Idaho Code § 67-2345(1)(f)]

B. To Consider Personnel Matters [Idaho Code § 67-2345(1)(b)]

- A motion was made by Superintendent Howard to resolve into Regular Session at 10:30 a.m. Controller Johnson seconded the motion. The motion carried on a vote of 5-0. No actions were taken by the Board during the Executive Session.

Upon return to Regular Session, Superintendent Howard requested an update on the status of any Department bills before the Legislature. Director Wiggins provided a brief update of pending legislation.

There being no further business before the Board, the meeting adjourned at 10:36 a.m.

IDAHO STATE BOARD OF LAND COMMISSIONERS

/s/ Dirk Kempthorne

President, State Board of Land Commissioners and
Governor of the State of Idaho

/s/ Ben Ysursa

Ben Ysursa
Secretary of State

/s/ Winston A Wiggins

Winston A Wiggins
Director

The above-listed final minutes were approved by the State Board of Land Commissioners at the April 8, 2003 regular Land Board meeting.